

THE RAILROAD QUESTION.

SPEECH

OF

HON. JOHN J. BELL,

REPRESENTATIVE FROM EXETER,

IN THE

House of Representatives in favor of the
Hazen Bill,

SEPTEMBER 21, 1887.

Concord, N. H.

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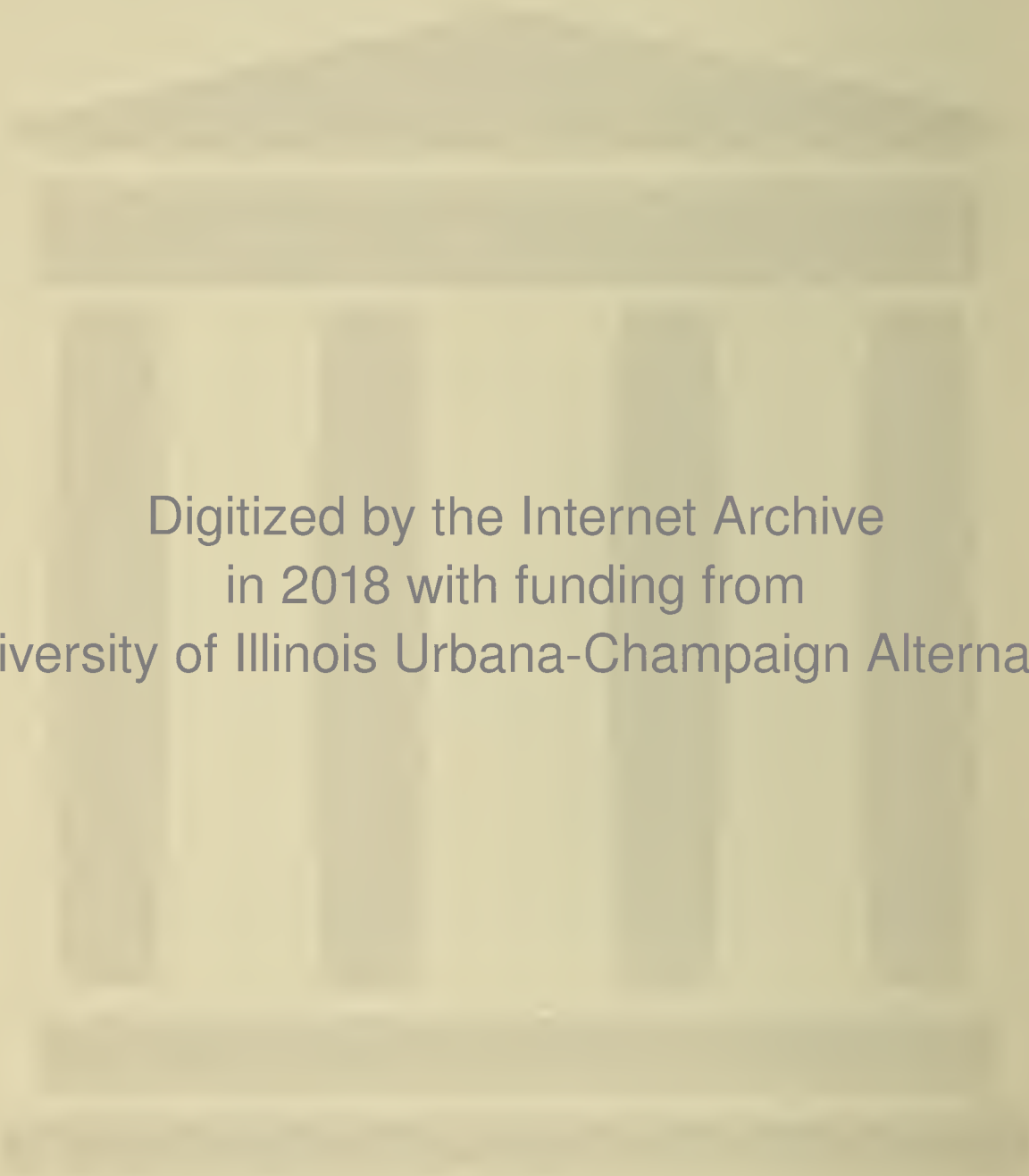
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SPEECH.

MR. SPEAKER AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES :

It has been with no ordinary feelings of embarrassment that I have come to the discussion of the measures with regard to railroad legislation that are now before the house. For I assume that, although this technically is a motion to postpone the consideration of the Hazen bill, as all who have spoken before me seem to have done, the whole question contained in both of these bills is the question really before the house ; that they are so intimately connected that they must be discussed together as one. As I said, I have been greatly embarrassed in approaching the discussion of this question, because of my somewhat intimate relations with both the parties here,—relations that have been mutually friendly, so far as I know. The connection with diverse interests, arising from the fact that a portion of my little property is invested in many of these railroads,—from my policy of so dividing my means that whatever may happen all may not go at once,—divides my interests, and feelings, and wishes. I differ therefore from many gentlemen who have said that they had no pecuniary interest in railroads. I have, but interests so balanced, that I believe—and any man who knows my situation in that matter will understand—they cannot influence my action here in any way. But still, the relations of friendship that I have sustained toward all these gentlemen are such that they have produced in me a great deal of embarrassment in determining what should be my action in this matter.

I have certain views of my own, in which while I feel assured that there is a minority, probably, but certainly, as I believe, a constantly increasing minority, who agree with me in the matter, yet still I know that to the managers of railroads those views are not agreeable. I am a believer in the system of state management of all its highways, including turnpikes, toll-bridges, and railroads. I know that is not the belief generally of the people of this country, but I believe that the time will soon come when a majority of the people of this country will see the necessity of it, as the people in Europe are seeing it now. The state management of railroads began in Switzerland, and extended to Belgium. Its working so far has been so successful and satisfactory in both of those countries, that Germany and France are rapidly adopting it. Italy has almost succeeded in adopting it, and the time is but very shortly distant when throughout Europe no other than governmental management of railroads will exist. And I believe we shall find that the same necessities will require of us that the management of all our highways shall be in the hands of the state.

I entertain fears of the consolidation of great moneyed corporations : not as to what they may do in a business point of view, but I fear their political power. I do not fear for their influence upon the business interests of the community. I have no doubt that those business interests will be carefully attended to, no matter what may be the consolidations that may take place ; but I do fear consolidated power. As I look on, I can see, it seems to me, that the only thing which will limit this political power of consolidated railroads is public opinion. We may exercise a public opinion here that will have a power and an influence even upon these great corporations. Within the state, and where that power can be exercised upon them, it will mitigate, if it does not entirely remove, the difficulties that I apprehend. But I fear, in the present condition of things in New Hampshire, a power that cannot be regulated by public opinion here. I see that the English government, through the government of the Dominion of Canada, has been for political reasons extending a railroad across the continent, shorter in length than any of the roads that cross the continent in this country, all under one management, with more feasible grades and less

heights to pass over, and which has for the transaction of the transcontinental business certain very great advantages. I see that corporation, with its ramifications in the way of steamboat lines, being continually increased, upon both the Pacific and the Atlantic oceans, and getting to be a power that is almost equal to that of any of the governments of the world themselves. I see the necessity that that road has for an Atlantic terminus. Montreal is blocked for six months in the year by ice. Where shall it find an Atlantic terminus in which the business can be conducted? I can see but one port where that business can be done, and that is the port of Boston; and it seems to me an absolute necessity to the position of the Canadian Pacific Railroad that they should have a communication with Boston. They are building, I know, a road across the state of Maine, building it in the hope of carrying the trade to Halifax. I know that the city of Portland is hoping that it may get a portion of it; and even poor deserted Wiscasset is trying to-day to see if it cannot secure to its magnificent harbor a portion of the business;—but the same difficulty that applies to Wiscasset will apply to Portland and Halifax, and that is, that there is not sufficient business there to furnish the necessary return cargoes for the grain and provisions and other things that are to be brought by the Canadian Pacific road and sent across the Atlantic. The trade cannot properly be done unless there are return cargoes, and those ships come back to a port which has a business sufficient to produce those return cargoes; and that port, and the only one which the Canadian Pacific can reach, is the port of Boston. It is, in my judgment, a matter of absolute necessity to the Canadian Pacific that they should own the line of road that comes down through the Merrimack valley, and I have been looking now for years while that road has been building to the time when they were to come. I have been hoping, hoping sometimes against hope, that the people of New Hampshire would be so far aroused to their position that some sufficient obstacles would be put in the way of their obtaining that control as against the people of New Hampshire.

Now, I may be all wrong. I may be mistaken in my fears in regard to this matter, but they are to me serious and dangerous facts. Now I look to see what can be done. I can see no way

except in the state control of these roads ; and whether the Canadian Pacific obtain the control of these roads or not, I know that the state of New Hampshire has the power, by its right of eminent domain, to take those roads, even from the Canadian Pacific or anybody else, and that it must eventually do so. But meanwhile I fear this great railway. I look at the various provisions that are proposed as means of securing us safety against them. I find, in both the bills that are now before the house, that there are provisions that foreign corporations,—meaning by that the Canadian Pacific and the Grand Trunk,—shall not lease railroads in New Hampshire. I know that the Canadian Pacific charter provides that they shall own no railroads in New Hampshire, and therefore that we have got the provisions of the laws of this state and of Canada both against it ; but I remember how for years the Manchester & Lawrence were run. It seeming that the short leases, which alone the state of New Hampshire permitted them to exist under, were not such as were necessary for the conduct of the business which the Concord and the Manchester & Lawrence railroads desired to do, they entered nearly thirty years ago, more or less—I cannot tell the exact time—into an agreement ; not a lease, as they especially declared it to be, and such it really was not, but a business agreement they called it ; practically, it was a partnership between the Concord road and the Manchester & Lawrence road. Perhaps in law it might not have been held to be just that, but in its practical effect, and aside from all technicalities, it was a partnership. Under that partnership they commenced doing their business, and after some years the state, fearing what might be the result of such an agreement, by law declared any such agreement to be invalid, and imposed penalties upon the railroads and the managers of railroads who should enter into any such agreement. But in spite of all that legislation, the Concord Railroad for more than twenty years managed to run the Manchester & Lawrence Railroad.

I think it is a matter that is obvious to any man's comprehension, that if I own a majority of the stock of two corporations, no legislation can make those corporations quarrel ; and if a half dozen men own a controlling interest in two corporations, you cannot make those two corporations quarrel. A man will

not quarrel with himself. That was what was the trouble with the Concord and the Manchester & Lawrence. They were owned practically and substantially by the same interests; and if the present management of the Concord road had not forgotten that fact, they would never have lost control of the Manchester & Lawrence road as they did this present season. It was when there became friction between the Manchester & Lawrence and the Concord that the possibility of what has taken place occurred. Now, in the same way in which the Concord run the Manchester & Lawrence, it is possible, and to my mind it is probable, that the Canadian Pacific will attempt to run these roads in New Hampshire. They want this Merrimack Valley line because it is the best route by which they can connect Montreal and Boston. They want the Boston & Maine road, because by this lease of the Boston & Lowell it has practically obtained all the terminal facilities that can be obtained in that part of the port of Boston which the Canadian Pacific would naturally most desire to get. I do not believe the provisions which these two bills contain are of any more effect in preventing that than would be a handful of dry forest leaves to stop the mountain torrent. Looking at this as being the great danger which is before us to-day, I am still more troubled in the consideration of these measures. And while I say this in regard to these two bills, if there is no bill at all of course it is even worse. If we do nothing, we render the matter so much the easier for the Canadian Pacific to acquire what they may wish. With roads broken up, disconnected, disjointed with the upper roads, themselves going rapidly out of repair, feeling the need of somebody to take them, the chances of the Canadian Pacific are greater than they would be if we passed either of the two bills now before us. Therefore I see a danger in either way that we look at this question, and wish we might find the wisdom to devise proper safeguards, which I do not find in either of these bills.

There have been many things said with regard to the legislation of four years ago, sometimes called the Colby act, and the railroad commission bill, that were passed together: they were parts of the same legislation. If you will bear with me, I would like to go over a little of the history of that time.

I was a member of that legislature. I knew something of the negotiations while they were in progress, as well as of what was taking place in the legislature itself and before its committee. The policy of New Hampshire up to that time had been to have railroad corporations not too large to be easily managed by the legislature; to keep them from uniting; to keep them constantly under the supervision of the legislature by requiring them at short periods to come again under its care. That is to say, short leases and small roads was the policy of New Hampshire. It was a policy that left the control of the roads very much in the power of the state. To my mind, it was the best and safest policy. I thought so then, and I think so now. I opposed the Colby bill for that reason; and if to-day we were in the same position we were in four years ago, I would oppose any legislation that looked to the consolidation of roads — not, mind you, that I feared for the business interests of the community, that they would be improperly treated, because I think there never will be any difficulty on that subject. I believe we shall find in that way everything will be right,—that we shall be as well treated, and better treated than we should be without consolidation; but I feared the political power that would arise from it, and I fear it still. I approached four years ago the discussion of these questions with this feeling, and opposed this bill, and it was adopted in spite of the opposition that I made. That bill proposed to make a revolution in the whole political management of New Hampshire railroads. It proposed, instead of placing the railroads under the care of the legislature, in the sense that they were to continue every few years to come back under its care, and getting something from it, to put them under the care of railroad commissioners and to allow unlimited consolidation. I remember very distinctly saying in this house then, that under the provisions of that bill it might be that all the railroads in the state might be united in one corporation; and the only answer that was made was, in substance, “*Well, what of it?*” That is to say, both the parties who were concerned in it deemed the possibility so remote that they did not think it a matter worthy of consideration. Now I deem even remote chances as matters worthy of consideration. It seemed to me then that there was a dan-

ger that the railroads of New Hampshire might be consolidated, and then it would be dangerous. At least, it was a matter that the house might well consider. I think we know to-day that my fears in that regard were not altogether groundless; but it shows what was the feeling and temper of that legislature, that, although the suggestion was made, no means were proposed which would have prevented anything of that kind.

Certain railroads promoted a general law. I presume they thought a general law would answer the purpose they had in view as well as special statutes would, and that it might be useful to them in future time; but we are not, as I think, and as has been too much argued during this session of the legislature, to look to what the promoters of a measure had in view for the purpose of finding out what that measure itself means. As lawyers, I think every member of the bar in the house will agree that this is not the way courts ever would undertake to construe any statute, and particularly they would not attempt to look at what the opposers of a particular measure declared might be its operation, as a reason why the law was passed. That you might say that the promoters of the measure were telling what its actual intention was might have some plausibility, but when it is argued to you that the gentlemen who opposed the measure at that time are the men you are to go to to find out what the measure meant, it does not seem to me entirely wise and just. By this measure it was the intention unquestionably of its promoters that the railroads here in the central part of the state, what have been sometimes called the Merrimack Valley system, might be united—the Concord, the Northern, and the Boston, Concord & Montreal, with their branches; and that the Eastern and the Boston & Maine, with their branches, were to form another connection. There is no doubt but that that was what these promoters desired themselves. It was what they promoted the bill for. But I do not think we are to look there to find out what the purpose of the bill is. The purpose of the legislature might be entirely different from that of the promoters of the bill; and in any case, when a general law has been promoted, you are not to look simply at that, and limit that general law to what the desires of its promoters were.

In addition to that, the question has been raised with regard to the condition of the Boston & Lowell in this matter. It has been argued that the Boston & Lowell road are a foreign corporation, which is undoubtedly true. It has been argued that they were opponents of the Colby bill, which is also true; and it has therefore been argued that it could not have been intended that the Boston & Lowell were to lease railroads in New Hampshire. In the original draft, the first draft of the Colby bill, the Boston & Lowell road were not alluded to. In all the subsequent drafts, and there were several of them before we got one that was final, there is this provision, that roads which were chartered by any other state, and which were operating roads in New Hampshire (I may not quote exactly, but that is the substance of it), should be authorized to lease railroads in New Hampshire as New Hampshire roads were authorized to do. The Boston & Lowell at that time were operating the Nashua & Lowell, the Wilton, the Peterborough, and the Manchester & Keene, making one line from Boston to Keene. There is no doubt about the fact that they were actually operating them, but it is argued that the law meant not only operating them, but operating them legally. There is no doubt that, whether the leases were legal or not, they were operating the Manchester & Keene under a special act of the legislature which authorized them to purchase a certain interest in it, and under that act they did purchase it, and their legal operation of the Manchester & Keene road cannot be denied or disputed. It was intended, in my judgment, to apply to the Boston & Lowell road, because it was intended that the Boston & Lowell should consolidate that whole line from Boston to Keene. It was deemed better, instead of ratifying the leases that then existed, which were under the old New Hampshire way of doing these things, that they should conform to the new system which the Colby bill introduced, and it was for that purpose that the old leases were not ratified; but this provision authorizing this leasing was put in that consolidation might be effected.

If you look further, to what roads could this have applied if it did not apply to the Boston & Lowell? Did it apply to the Eastern? They were a foreign corporation. They were operating railroads in New Hampshire, but they had already leased themselves to

the Boston & Maine, and were only waiting the passage of that bill that they might ratify the leases. It could not then have been the Eastern that was intended. The Boston & Maine were a New Hampshire corporation. It could not have been intended for them. The Fitchburg operated about five or six miles in New Hampshire, from the state line to Greenville, but the Fitchburg Railroad had no interest in New Hampshire, and no desire to have; and so far were they from understanding they were included, that when the Cheshire Railroad came here this year, they came asking for a special act, that they might do what they wanted to do. The Connecticut River, which were operating the Ashuelot and the Sullivan, the only railroads in New Hampshire that they could possibly have in New Hampshire,—it was not intended for them. The Portland & Ogdensburgh were bankrupt. They were in the hands of a receiver. They were totally unable either to lease any other road or be leased themselves. Those were the only foreign corporations that were operating railroads in New Hampshire except the Grand Trunk, which was not chartered by any state, but by the Canadian government. None of these were in a position where it could be said that any of them were intended to be included in that matter. The only road to which it could apply was the Boston & Lowell road. Therefore I think there can be but very little doubt that the Boston & Lowell was intended.

After the passage of this bill, the Boston & Maine and the Eastern promptly ratified their leases. Nobody has doubted, that I am aware of, seriously, from that time to this, that those leases are legal. The Boston & Lowell in a similar way formed new leases, and ratified them, with the Nashua & Lowell, the Wilton, and the Peterborough, completing that line of road. Unfortunately, in some sense of the word, perhaps, the Concord road were not in a position where they could carry out the understanding on their part as to the Merrimack Valley line of road. Almost immediately after the adjournment of the legislature of that year, the supreme court decided that where a man was director in two different roads, he could not act on any contract between those two roads. The good sense of the decision, I think, will make itself manifest and apparent to everybody. The Concord road stood in this position: two of their directors were Northern

Railroad directors ; two were B., C. & M. directors. It was perfectly apparent that a majority of their directors being so situated, it was not possible for the Concord to make a lease and carry out the arrangements which were intended to be carried out by the Colby act. They found themselves unable to do it. The result was that there were certain changes in the management of the road ; certain directors resigned, and certain other gentlemen were elected in their places, including one who for his steady persistency, for his great force of character, has from that day to this been the dominant influence in the Concord Railroad directorship. He had been opposing all the movements of the Concord road direction, including this Colby act, and including this project of consolidation with the upper roads. It is not to be expected that his election to a place on the board of directors would at once change his mind. It became necessary that he should see and learn about the operations of the road before he could be convinced of the necessity of union, as he has since been convinced. The result of that was, the Concord road were not only unable but unwilling to carry out the arrangement by which the Northern and the Montreal roads were to be leased to them. And in this condition of things, was it surprising, was it not without any breach of faith or any violation of the law, was it anything but the most natural thing in the world, that these two roads looked about for somebody with whom they could combine, and went to the Boston & Lowell and were leased to them? It seems to me that it was the very thing that everybody ought to have anticipated, ought to have seen would be the natural result of our legislation and of the condition in which the Concord Railroad found themselves. That there was a hope and a belief that the result would finally be that the Concord Railroad would be absorbed in the same combination is no doubt true, just as it is no doubt true that it was the hope of the Concord Railroad that at the time when the Colby bill was passed their union with the Northern and the B., C. & M. road would sooner or later bring the Lowell into the combination. There is no doubt of that. It was in the minds of all the people who were concerned in it at that time, that that combination should extend from Boston to the limits of New Hampshire, at least, if they did not dream of extending it further ; and very possibly this arrangement might

have been brought about were it not for the position in which the Boston & Maine found themselves placed. Now when the Boston & Maine ratified the lease of the Eastern road, their directors, to my knowledge, were advised that they had better then take a lease of the Boston & Lowell road; that they would soon find that the business they were doing would require terminal facilities a great deal larger than they had or could easily acquire; that the Boston & Lowell were so situated with reference to their territory that they were liable to continual competition and continual interference in their business by the Boston & Lowell, and that to get their business into the shape they desired, a lease of the Lowell would be necessary. They were not then prepared for it, but the inevitable logic of events has brought them round to what was then foreseen would necessarily be the result, and the Boston & Maine have leased the Boston & Lowell, thus acquiring the terminal facilities that they needed, and they are relieved from the dangers of competition, which to railroad managers of course are apparent enough. Whether you look at it in that way or not, that is the way that every railroad manager necessarily looks at competition.

That brings us up to the commencement of the present session. Not long before we came here the court had decided that the Colby bill was defective in that it had not provided for the protection of dissenting stockholders. Now it was of course expected that something would be done with regard to that matter. It was obvious—it is as well to look the thing squarely in the face as to beat about the bush—it was obvious that a modification of the Colby bill which should cure that defect would necessarily bring a pressure to bear upon the Concord road which it would probably be unable to resist, and that probably the result of it would be a combination of all the railroads under the Boston & Maine charter. The Concord Railroad and their friends, and no doubt a great many other citizens of the state, looked upon that with a great deal of fear and disfavor, and they looked to see in what way they could avoid it. The result of course has been that we have presented to us finally from the committee two bills. And if you will pardon me for a moment, I would like to say a little with regard to these two bills. I think we have not said enough with regard to the

character of the bills themselves. Now, the Hazen bill proposes in its first six sections, substantially, simply the cure of the defect which the court found in the Colby bill ; that is, it provides means by which the rights of the dissenting stockholders may be protected. I think there are some defects in it that will probably require amendment should the bill ever get to that stage. I doubt whether either of these two bills can be made operative in their present condition, and so far, I think, I should want certain amendments, but the first six sections are given entirely to that purpose. We find in the Atherton bill a somewhat similar provision, only it is not worked out so carefully or so fully as it is in the Hazen bill. The seventh section declares that the Boston & Lowell were authorized by the Colby act to lease railroads in New Hampshire. That is the substance of it. I think I have already argued that matter sufficiently. I think I have shown you why I have reason to believe that that seventh section is simply declaratory, that it makes no new law, that it does not change the law at all, but only leaves it as it was.

The next sections, 8, 9, 10, and 11, provide for a means by which railroads connecting with each other may obtain the necessary use of yards and depots under the direction of the railroad commissioners. This applies, of course, being a general law, to all cases of railroad connections everywhere throughout the state, and in almost every great town there is more than one railroad which goes there, and which needs more or less accommodation. Heretofore there has been little or no difficulty found about this matter, because the railroads were in a condition where, although they might be inimical, they yet had no conflicting rights or very great difficulty in adjusting these relations. But the result of the purchase of the Manchester & Lawrence in the interest of the Boston & Maine last spring has changed that position of things in a very serious manner, and such a provision as is contained in these sections of the Hazen bill, it seems to me, is of the highest necessity. Should the Hazen bill fail and the Atherton bill be passed, the similar provision in that bill ought to be so far extended that the remedy in such case should be obvious and distinct, and obviate unnecessary litigation. The condition of things at Manches-

ter is this: For thirty years or thereabouts these two railroads have been run together under the management of the Concord Railroad,—at first under a business contract that practically amounted to a partnership, and, since the passage of the anti-monopoly act, by verbal and tacit understandings. The passenger station is built by the two roads jointly upon land belonging to the Manchester & Lawrence road. The freight station is upon land, if I am correctly informed, that was purchased by the Concord Railroad, and the building was built by the Concord Railroad with funds which it may be claimed were the joint funds of the two corporations. A part of the yard is on land belonging to the Concord Railroad, a part of it on land belonging to the Manchester & Lawrence Railroad, and a part of it to both the Concord and the Manchester & Lawrence, under the partnership or business contract that existed prior to the anti-monopoly act. I believe a portion of it belongs to the Concord & Portsmouth Railroad, and a portion of it has been purchased since by funds which, it may be claimed, are a part of the joint funds of the Concord and the Manchester & Lawrence railroads. Under those circumstances it is next to impossible that the roads can be run in harmony over the iron that is laid there, without somebody, who has a power above both corporations, determines, at least temporarily and until their final rights can be ascertained by the courts, the right of passing over the iron and making the necessary connections. It seems to me that our friends at Manchester will find themselves in a position of the very greatest difficulty, unless some such provisions are passed. They are general in their character, and apply not only to that but to every other part of the state. They will be needed in other places, as well as there. They will facilitate and harmonize the action of the railroads in all such cases, and especially in those cases at Manchester; and it seems to me that we should be derelict in our duty if we do not provide some means by which the imminent quarrel between these two railroads there can be avoided.

The next section provides for enforcing the decrees of the railroad commissioners. I think that you will be satisfied, upon reading the reports of the commissioners, that some such action as that is necessary and desirable, and, whether the one or the

other bill be passed, that some provision like this should be in it. It then provides for mileage tickets, provides for fares, and provides that the act may be altered or repealed. Now, these are the provisions of this bill. They are all general in their nature, they are all of them in the direction of carrying out the purpose and intent of the Colby bill, and supplying the defect that time and the court have shown to exist in it. If we are to have any general railroad law, if we are to manage our railroads by a general law and under the regulation and government of the railroad commissioners, which the gentleman from Nashua, in his eloquent speech upon the railroad lobby a few weeks ago, said was the best and most proper way of managing railroads,—if we are to manage them in that way, then all these amendments that are in the Hazen bill ought in substance to be adopted.

Let us look at the Atherton bill, and see a little about the provisions that are contained in it. By its first provision it unites the Concord and the Boston, Concord & Montreal railroads, and provides for their absolute union instead of a leasing. I do not know that in the nature of things there is any very great objection to that, except so far as they interfere with already acquired rights of other people. Still it has not been the policy of the people thus far to consolidate railroads; and when the Colby bill was first reported to the house four years ago, it contained a provision authorizing the consolidation of railroads, which was modified by the legislature because they were unwilling to allow consolidation of corporate franchises. They were willing enough to vote that the roads might be leased, but they were entirely unwilling that there should be a consolidation; and therefore this is not in accordance with, it is not carrying out the principles of, the Colby bill. It is altogether a new departure; and it may very well be doubted, it seems to me, whether this new departure is wise.

The Concord Railroad, it has been said, are rich; they are strong; they are powerful; their power the legislature of New Hampshire have had for many years opportunity to know. They are wealthy, although I think their wealth has been greatly overstated, and much of the talk that has been made here there can be as little doubt is extravagant. The proposition is, that the Bos-

ton, Concord & Montreal road, which is in one sense of the word a pauper, which is unable to pay dividends upon all its stock, shall be so placed that there shall be dividends upon this stock—the old and new stock—which has been so pitifully talked of in this discussion. Here, it seems to me, is really the explanation why this provision was made. It was made, not merely that they might be allowed to lease, not merely that some provision might be made by which they can do that—there is no difficulty about that at all; with the present management a lease could have been easily arranged between them—but it is that in some way the stock of the Montreal road, the old and the new stock, may be made to pay a dividend, and that those gentlemen who have been buying a large proportion of that stock may make their stock, which cost them \$15 and \$35 a share, worth par and above. It seems to me that that is really at the bottom of this whole transaction. It is not to my mind desirable that we should do this thing.

There is one other provision in the eighth section of the Atherton bill to which I wish to call your attention. It has been frequently asserted here by gentlemen on this floor that by the passage of the Hazen bill we should be placing the railroads of New Hampshire out of our control, and out of the control of our successors for three generations—nearly a hundred years; that there would be no limit; that there would be no mode by which we could escape from the condition thus produced;—and yet this very Atherton bill contains a provision which proposes to take the Boston, Concord & Montreal out from under the lease to the Lowell; this very bill thus points out a way by which we can escape from the very great danger which these gentlemen seem to apprehend. I think this question, as a matter of law, has been sufficiently explained to you. I have no doubt of the authority of the state of New Hampshire to take any road in New Hampshire under this right of eminent domain, to run it itself, or to turn it over to the care of another corporation. We settled that question long ago with regard to turnpikes and toll-bridges, and the same law applies to railroads. Of course the public good must require it, because we have no right to take under the right of eminent domain except for the public good, and it is also true that we must pay whatever it may be worth.

All that is provided for, I believe, in this bill, and probably sufficiently.

The next provisions in this Atherton bill are, to my mind, even more objectionable. They provide for extensions of railroads from Groveton to Colebrook and the Canada line; from the end of the Whitefield & Jefferson road,—not the Jeffersonville road, as it is printed.—from the end of the Whitefield & Jefferson road to Berlin, and indefinitely beyond up into the woods to nobody knows where; and other branches, including the Tilton & Belmont, the Lake Shore, and any other branch of the Boston, Concord & Montreal that may be dreamed of by anybody—all of these they are to extend; and the Upper Coös road, another one; and they may guarantee their loans. They may themselves take stock, buy their bonds, and borrow money for that purpose. Why, gentlemen, what is the end of all this? How much is going to be the capital stock of all these roads? How much are going to be the bonds of these roads? How heavy a load is to be put upon the Concord road, upon this great property, this valuable property, which already, it is said, pays a hundred thousand dollars more than the state allows them to take in dividends? To what extent is stock-watering to be carried on under this operation? It seems to me as if they had left open here an unlimited range for this kind of gambling, which has made so many fortunes in this country, and from which the people are to suffer for many years. It seems to me that these provisions are of the most dangerous character; that they are liable to saddle upon the business of New Hampshire, and upon the business especially of this part of New Hampshire, a load which will be felt not for one, or two, but for unnumbered generations.

And now I come to what I regard as one of the most serious propositions in the whole matter. It is also to my mind another very great danger. I fear quite as much as anything else for the public integrity. I think there can be few men who have the interests of the country at heart but must have seen the rapid growth of disregard of the crime of bribery as it has grown up throughout the country. It has met from moralists at all times more or less denunciation; and an eloquent divine in Boston, only last Sunday, took occasion to make his sermon

on that very subject,—and, as an example of what I mean and what I believe to exist as bribery, he said that if President Cleveland disregards the civil service law and appoints gentlemen to office in the hope that thereby he is going to increase his own chances for a second nomination, he is guilty of bribery. Now, gentlemen, I believe that. Granted the premises, which I do not undertake to assume to be true, but granted his premises that the president is doing that very thing, it is bribery. The English courts, which have now the control of contested election cases in parliament, have held very stringently on the subject of bribery, and yet in direct accordance with the decisions of the courts on that subject. They have held that even the employment of carriages to carry the voters to the polls was bribery. They have held that when a man gave something to the fuel society of the town, pending the election, that that was bribery. I have no doubt they would hold that when, in order that the river and harbor bill might be passed through congress, little sops were given to the representatives of this district and that district and the other district, and thereby the country saddled with enormous expense with very little benefit, as we all know has been the case, that that was bribery of those members of congress. Now I believe that this Atherton bill, in the sense that I have spoken of, bristles all over with bribery. It contains provisions for building several roads in various parts of the state for the purpose of catching the votes of the citizens there, and of the representatives from those sections. I hold that when any member of this house comes here and says that he votes for a particular measure because he expects that some interest, some gain, is coming to himself or to his immediate locality by the promise of somebody else of what they will do, that he comes perilously near the offence of bribery. I know, I allow, that the moral guilt is not the same when a man does that which the community itself has learned to look upon as innocent, as in the case when the guilt of the act is distinctly acknowledged. Now, while I acknowledge that the gentlemen, probably neither of them, carried this idea of bribery in their minds at the time, yet still here is the fact that gentlemen have on the floor of this house exhibited bonds which they say have been given, which

will promote the interests of their own immediate localities ; and I say that when they do that they come perilously near this thing. I have no doubt that it comes naturally from those practices of which I have spoken in congress, and in municipal, state, and national elections, where we have been losing our estimate of what is right in the matter ; but it also comes from the fact that we have permitted one of the largest of our public interests, that of our highways, to be carried on by corporations which are not only the managers of a public trust, but also have a pecuniary benefit which they expect to gain from it, and that pecuniary benefit is large enough in almost every case entirely to blind them in their public duty. Now we have seen, in more than one instance, that the stock of a railroad has been purchased for the purpose of obtaining its control ; that is to say, that gentlemen, in order that they may become trustees of a great public highway, have seen fit to purchase stock for that purpose, that is, to purchase the office that they want to hold. I remember well, that in a case in which this whole matter came up, of the purchase of stock for the purpose of obtaining control, the supreme court of New Hampshire, in delivering their opinion in that case, closed their opinion with the pregnant remark that “ if there are any honest stockholders in this road, if they will apply to the court, the court will see that they are amply protected.” I may not give the exact quotation, but that was the substance of the suggestion. I have no doubt it was in the mind of the court at this time that this purchase of stock was a species of bribery, a species of the purchase of public office ; and I have no doubt that if in every such case a proper application is made by the stockholders to the court, the court will in such case enjoin the holders of such stock from voting upon it. One of the greatest safeguards that the people of New Hampshire have is in the integrity of its court, and the court have both the will and the power to protect us against this sort of thing. While I say this, I do not want to be understood as impugning personally the motives of any member. These things have gone to that extent that we do not any of us realize how near we are getting to the purchase of office, and to the prostituting of our influence as officers to our own personal interest ; but to my mind it is time that we should all understand that this is the true nature of these transactions.

Then the bill goes on to regulate fares and freights, and then it contains two other provisions : that no foreign railroad corporation shall lease roads in New Hampshire. It is a modification of the Colby bill, in substance repealing the 18th section of that bill. It then provides that railroads that are united must be continuous and physically connected lines. I do not quite see what the need of any such modification of the Colby bill is. The physical connection does not seem to me to be of the slightest consequence in the matter, nor do I quite like the idea that roads must be continuous before they are united. The history of railroad consolidations in this country, and I think the same thing is true everywhere else, has been, speaking in a business point of view, that they have been for the benefit of the people, no matter whether they were competing lines or continuous ; that if you take, for instance, the Old Colony road in Massachusetts, which goes round Boston almost, many different lines have been consolidated. Although in some cases they were not in the first instance physically connected, and although they are in no sense continuous, it has been for the benefit of the whole people who are served by them. I believe that the same thing will be found true everywhere. I know that it militates against what is thought to be the principle of competition : and a great many people have the idea that by competition in railroads they are going to gain something. Now, I have a word or two to say in regard to that matter. My observation of competition between railroads is, that it has three different stages. In the first place, by competition fares and freights of all sorts are reduced ; all sorts of facilities are afforded ; competition in running time is carried on, to the danger of the public who have occasion to do business over the lines. That is followed almost immediately by exhaustion of both lines ; and then a pooling arrangement is made by which the rates are raised to a higher point than they were before, and there results a period of mutual indifference for a time ; that is, all pooling arrangements are made temporarily. After they have expired, there is a period of temporary indifference until a new time of competition comes round. Now, I do not believe that it is good for the business of the community that they should have that sort of competition ; nor is legitimate business promoted by it. It is

better for business to know distinctly what it is to expect, and to have a certain fixed line which it is to follow. The expense of doing the business is vastly increased. That expense has got to be paid by the people who do the business. The result has been that every consolidation has resulted in lower rates, and in better trains and better facilities.

Now, not to weary you, for I am already taking more time than I expected, I wish simply to state the conclusion that has come into my mind in regard to this matter. There are three courses we may pursue. In the first place, we may indefinitely postpone both bills, and do nothing. I have some reason to suppose that there are some gentlemen in the house who think this will be the wiser course. I do not. I do not believe that any of the dangers we apprehend can be avoided in that way. I believe it will be found that the great danger, which is so very pressing, in my mind, from the Canadian Pacific, will be increased in that way. If we do nothing upon this question, then all this time that we have spent, now exceeding by probably three weeks the longest duration of any session of the New Hampshire legislature, for the purpose of settling this question, will be lost. This railroad question will come into the political discussions of the next year, and in all the caucuses the question of a man's position in regard to this question is to be one of the controlling elements. In every caucus and in every convention it is going to disturb, in many ways that none of us can now foresee, the result of that election. We cannot afford to throw such a disturbing influence into the campaign. In the next place, our successors will have the same lobby that we have had during the session; and I think that every member of this house must by this time be convinced that the demoralizing influence of such a lobby upon the house and upon the state is too great to render it desirable that we should have it here again. And to my mind, even more serious than these is the fact that the upper roads are in a bad physical condition, owing to the fact that, for three years now, who is to own them, who is to run them, has been a matter of doubt. They have been simply patched up from time to time, in order that they might be run for a few years, and two years more of similar neglect will render those roads dangerous. With the uncer-

tainty as to what the next legislature will do, you cannot expect any road to furnish the money that will put those roads in a proper condition. In order that they may be placed in such condition that the business of the state can be transacted as it should be, it is necessary that we should do something at this time. We have no right to refuse to do anything with regard to this matter. It is our duty to do something.

Shall we pass the Atherton bill? What will be its effect? Its effect will be, if it succeeds, and it may be made to succeed, to create two powerful railroads in New Hampshire, intensely hostile and inimical to each other, who will come before every legislature, who will be pressing every election with their quarrels. Whatever may be the benefit that might be derived from this bill, it seems to me that the great danger of this continual fight between them vastly outweighs it. And for that reason, and for the objection I have already mentioned, I do not think that I can support the Atherton bill. I was, at the beginning of the session, inclined to hope that I might be able to support something in that direction; and it was not until it began to develop, and I began to watch that development, that I perceived nothing of that kind could be done in the interests of the people of New Hampshire and of the whole state. I think you must have seen, from what I have previously said, that the result of the whole thing has been to bring me round to the necessary conclusion that the interest of the people of New Hampshire, of the whole state, is in favor of the passage at this time of the Hazen bill, after it shall have been modified in some important particulars. [Applause.]

A great deal has been said here with regard to the love and affection which gentlemen have toward the state of New Hampshire. I am glad to hear that all of New Hampshire's sons, whether natural or adopted, have that feeling. I am proud to believe that there is no man in the state who is not proud of her, and proud of her history. There is no man who lives here more proud of her than I am; and I trust that whatever we shall do will be done with a sole view to the interests and the happiness of the people of New Hampshire.

